

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 7067 - SB 7013

August 22, 2023

SUMMARY OF BILL: Authorizes the Department of Mental Health and Substance Abuse Services (DMHSAS) to develop and conduct a pilot project to provide home-based mental healthcare services to service recipients following discharge from an inpatient treatment facility for involuntary commitment. Requires the DMHSAS to collect data and undertake analysis to evaluate the effectiveness of the pilot program.

Directs the DMHSAS to compile and deliver a report on the status and outcomes of the pilot program following the end of each fiscal year during which the program is conducted to the Chair of the Health and Welfare Committee of the Senate, the Health Committee of the House of Representatives, and the Legislative Librarian no later than September 30 of that year.

FISCAL IMPACT:

**Increase State Expenditures - \$564,100/FY24-25
\$564,100/FY25-26**

Assumptions:

- The DMHSAS will contract with contract with public health nurses and other mental health professionals to conduct the pilot project in FY24-25 and FY25-26.
- There were approximately 2,143 individuals discharged from regional mental health institutions (RMHIs) in FY22-23 who had not previously been admitted within the last 30 days.
- This analysis assumes that 10 percent, or 214 individuals, will receive home-based mental healthcare services from the pilot project in each FY24-25 and FY25-26.
- Each participant will be eligible for a maximum of 26 in-home sessions.
- According to the DMHSAS, the average reimbursement rate per session will be approximately \$101.38.
- The total increase in state expenditures for home-based mental health services will be approximately \$564,078 (214 x \$101.38 x 26) in FY24-25 and FY25-26.
- The DMHSAS can compile and submit the required reports utilizing existing personnel and resources, without a significant increase in state expenditures.

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IMPACT TO COMMERCE:

**Increase Business Revenue - \$564,100/FY24-25
\$564,100/FY25-26**

**Increase Business Expenses - Less than \$564,100/FY24-25
Less than \$564,100/FY25-26**

Assumptions:

- Mental healthcare service providers will experience an increase in business revenue for providing services estimated to be \$564,078 in FY24-25 and FY25-26.
- For companies to retain solvency, any increased expenditures will be less than the amount of increased revenues collected. Therefore, the increase in business expenditures is estimated to be less than \$564,078.
- No impact to the number of jobs in this state.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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